DUBBER CORPORATION LIMITED

ABN 64 089 145 424

Interim Financial Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

dubber

Appendix 4D

Half Year Report
to the Australian Securities Exchange

PART 1 – DETAILS OF ENTITY, REPORTING PERIOD

Name of Entity	Dubber Corporation Limited
ABN	64 089 145 424
Half Year Ended	31 December 2022
Previous Corresponding Reporting Period	Half year ended 31 December 2021

PART 2 – RESULTS FOR ANNOUNCEMENT TO THE MARKET

	$'000	**Percentage increase/ (decrease) over previous corresponding period**
Revenue from continuing operations	14,090	(13%)
Loss from continuing activities after tax attributable to members	(37,069)	18%
Net loss attributable to members	(37,069)	18%

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

For further information, refer to the Review of Operations contained in the Directors' Report which forms part of the Interim Financial Report for the Half Year Ended 31 December 2022.

PART 3 – CONTENTS OF ASX APPENDIX 4D

Section	Contents
Part 1	Details of entity, reporting period
Part 2	Results for announcement to the market
Part 3	Contents of ASX Appendix 4D
Part 4	Commentary on results
Part 5	Details relating to dividends
Part 6	Net tangible assets per security
Part 7	Details of entities over which control has been gained or lost
Part 8	Details of associates and joint venture entities
Part 9	Audit/review status

PART 4 – COMMENTARY ON RESULTS

Refer to the Review of Operations contained in the Directors' Report which forms part of the attached Interim Financial Report for the Half Year Ended 31 December 2022 for details.

PART 5 – DETAILS RELATING TO DIVIDENDS

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

PART 6 – NET TANGIBLE ASSETS PER SECURITY

	31 December 2022	30 June 2022
Net tangible asset backing per ordinary security*	9.90 cents	20.12 cents

* *Excludes right of use assets*

PART 7 – DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

Name of entity (or group of entities)	Not applicable
Date control gained	Not applicable
Contribution of the controlled entity (or group of entities) to the profit/(loss) from ordinary activities during the period, from the date of gaining or losing control	Not applicable
Profit (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable
Contribution to consolidated profit/(loss) from ordinary activities from sale of interest leading to loss of control	Not applicable

PART 8 – DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

	Ownership Interest		Contribution to net profit/(loss)	
	2022 %	2021 %	2022 $A'000	2021 $A'000
Name of entity	**N/A**	**N/A**	**N/A**	**N/A**
Associates				
Joint Venture Entities				
Aggregate Share of Losses				

PART 9 – AUDIT/REVIEW STATUS

This report is based on accounts to which one of the following applies: (Tick one)

The accounts have been audited	☐	The accounts have been subject to review	☑
The accounts are in the process of being audited or subject to review	☐	The accounts have not yet been audited or reviewed	☐

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

Not applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not applicable

ATTACHMENTS FORMING PART OF APPENDIX 4D

Attachment No.	Details

Signed by Director

Steve McGovern
Dated: 28 February 2023

Corporate Directory

BOARD OF DIRECTORS

Neil Wilson
Non-Executive Chairman

Steve McGovern
CEO & Managing Director

Peter Pawlowitsch
Executive Director

Gerard Bongiorno
Non-Executive Director

Sarah Diamond
Non-Executive Director

COMPANY SECRETARY

Ian Hobson

SHARE REGISTRY

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9324 2099

AUDITOR

Ernst & Young
Level 23, 8 Exhibition St
Melbourne VIC 3000

SECURITIES EXCHANGE

Dubber Corporation Limited shares are listed on the Australian Securities Exchange
ASX Code: DUB

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Level 5, 2 Russell Street
Melbourne VIC 3000
Telephone: +61 3 8658 6111
Web: dubber.net

SOLICITOR

Milcor Legal
Level 1, 6 Thelma Street
West Perth WA 6005

BANKER

Westpac Banking Corporation Limited
150 Collins Street
Melbourne VIC 3000

Your Directors submit the financial report of the consolidated entity (the Group) for the half-year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Directors

The names of the Directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated:

Neil Wilson	Non-Executive Chairman (appointed 14 February 2023)
Steve McGovern	CEO & Managing Director
Peter Pawlowitsch	Executive Director
Gerard Bongiorno	Non-Executive Director
Sarah Diamond	Non-Executive Director
Peter Clare	Non-Executive Chairman (until 14 February 2023, then Non-Executive until 28 February 2023 when his resignation became effective)

Review of operations

FY2023 represents the third year of an internal 5-year growth plan which is designed to establish Dubber as a global technology company using its unique proprietary platform to deliver key, required subscription based services to end users directly from the communications network as part of their telecommunications service.

The half saw substantial investment in time and resources into continuing to build out the systems, processes and the capability to deliver upon this strategy. In particular, the delivery of the Group's AI capture ability has been productised to a level whereby major service providers are willing to commit to the Dubber Platform as the future of a new range of services, as opposed to purchasing or re-selling individual subscription sets.

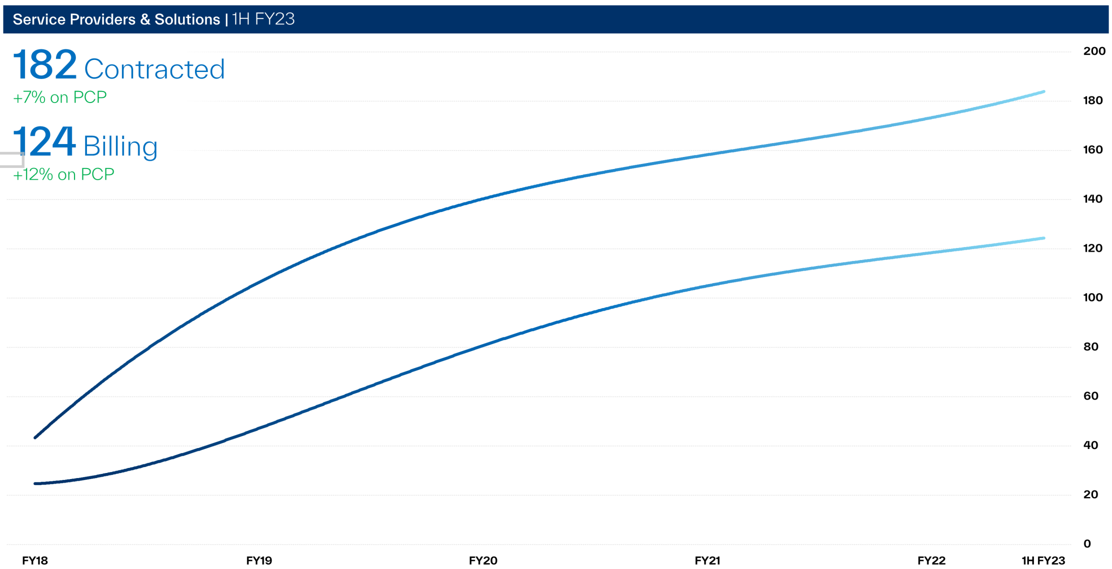
Telecommunication service providers are looking to implement multiyear strategies to drive growth and revenue through their own offerings and products based on the content of their network powered by the Dubber Platform, which is the recognised platform built for the scale of Service Providers enabling this capability. The commercial advances in the half with Vodafone, VM02, Gamma, Alianza, NTS and Ziro supports that Service Providers are willing to commit both financially and operationally to this model and those initiatives will add substantially to the Company's revenue growth in future quarters. To date, with the exception of pre-existing revenues from VMO2, the Company currently has not recognised any revenues from these contracts, that will drive expansion of revenue growth in future periods.

The acquisition of Notiv in 2021, instantly expanded the Company's premium application range with Dubber Notes and created the nucleus of our world leading AI team. Since that time the Company has built an asset in its teams that can rapidly develop a 'manufacturing line' of products which bring the calls in a telecommunication service provider networks to life, providing growth in revenue and margin.

Dubber's core objectives remain to use its unique first mover advantage to 'lock down' the world's major telecommunication service provider networks and deliver an accelerating growth in recurring revenue.

Key Metrics (compared to the previous corresponding period):

- Adjusted recurring revenue increased 16% to $13.3m (from $11.5m*)
- Total adjusted revenue up 9% to $14.1m (from $12.9m**)
- Contracted Telecommunications Service Providers up 7% to 182 (from 170)
- Service Providers at the stage of billing increased 12% to 124 (from 111)



* *Adjusted Recurring Revenue is defined on page 9.*

** *Total adjusted revenue is defined as total revenue less any revenues recorded that have been subsequently reversed due to changes in the Company's interpretation of accounting standards (as set out in the FY2022 Annual Report) – see note 2.*

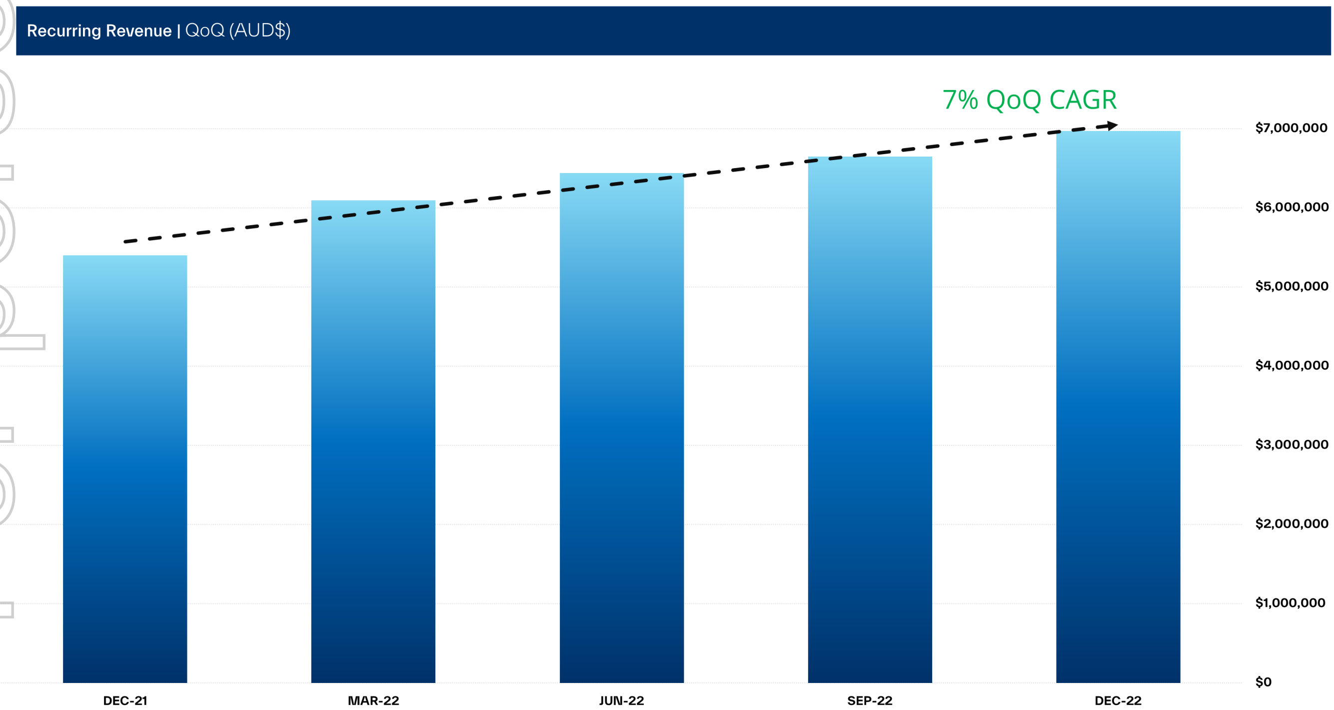
Operational Highlights

- Vodafone expands contract with Dubber services launched into UC and mobile networks in Europe, initially with Vodafone UK, and Vodafone Germany
- Leading UK service provider Gamma contracts initially for the launch of Dubber recording and AI services and migration of existing recording users
- US service provider NTS announces the launch of its Dubber service
- Virgin Media-02 expands existing contract to wider customer base
- First Foundation contract for Dubber Notes secured with North American Microsoft Teams Service Provider, Ziro
- Alianza chooses Dubber as the embedded recording and AI service for its UC platform serving as a core network for over 200 Service Providers
- JB Hi-Fi Business contracts as the largest distribution partner for Telstra business services

Adjusted Recurring Revenue

The Company's adjusted recurring revenue for the first half of FY2023 grew 21% on the comparative period, representing a 7% quarter on quarter CAGR from the December 2021 quarter. Adjusted recurring revenue excludes one-time revenues/income (such as professional services fees) and is adjusted to remove any revenues recorded in a quarterly period that have been subsequently reversed due to changes in the Company's interpretation of accounting standards (as set out in the FY2022 Annual Report).

Adjusted recurring revenue is a non-IFRS term and is presented by the Company as it believes it provides useful information to readers and is a common industry metric.



For the first half of FY2023, reported gross revenue was $14,090,711 (H1 FY2022: $16,125,316), a decline of 13% principally reflecting revenues recorded on certain platform fees and Foundation based revenues in the first half of FY2022 that were reversed in the second half of FY2022 due to the change in the

Company's interpretation of Accounting Standards. Excluding revenues that were reversed, adjusted revenues increased by 9% in H1 FY2023 on the prior period. Cash receipts from customers were $17,802,429 for the half year (H1 FY2022: $14,731,899) up 21% on the prior period.

Continued Expansion of Service Provider Footprint

During the half, the Company has continued to expand its Service Provider footprint.

Vodafone in Europe

The Company has expanded its contract with Vodafone Group for the roll out of the Dubber Platform across a selection of its European operations. The Dubber Platform is now live and enabling mobile call recording and associated AI for Vodafone UK and Vodafone Germany business customers.

Vodafone has also commenced the migration of its own recording customers from a legacy system onto the Dubber Platform. Dubber's Unified Communications capability is also available for Cisco, Microsoft and Zoom UC customers, enabling Unified Recording across multiple Vodafone networks.

Gamma

Gamma, a major UK and European Service Provider, launched the Dubber Platform during the half. Gamma is a leading supplier of Unified Communications as a Service (UCaaS) in the UK, German, Spanish and Dutch business markets through a network of over 1,000 re-selling partners and its own direct-to-market teams.

The Dubber Platform is currently available for Microsoft Teams calling, for which Gamma has been selected as a preferred Microsoft Operator Connect Service Provider. The Company expects to extend the provision of service to other Gamma networks as well as benefit from the migration of Gamma's existing recording customers from their own proprietary recording services in coming periods.

NTS Communications

NTS, is a Microsoft Teams calling Service Provider and Dubber's engagement includes a Platform agreement with users attached for comprehensive recording services via Microsoft Teams. NTS is the first 'downstream' of Service Providers using the NuWave 'ipilot' service.

Virgin Media-O2

The Company has been providing mobile call recording for the leading mobile provider in the UK, O2 Networks, following the acquisition of the Speik business in late 2021. O2 merged with Virgin Media in 2021, and during the half this contract was expanded to cover a larger addressable market within the O2 and Virgin Media customer base with an extension of capability across the entire Virgin Media-O2 network infrastructure.

Ziro

During the half the Company secured its first 'Foundation' partner contract with North American Service Provider Ziro, under which every Microsoft Teams user is given a version of 'Dubber Notes' as a standard feature with the opportunity to directly upsell to fully fledged, higher ARPU services.

Alianza

Alianza, a North American based provider of unified cloud communications to Service Providers, selected the Dubber Platform as the embedded recording and AI service for its platform which supports over 200 Service Providers. These Service Providers will be able to supply recording and AI services as a standard feature in their UC offerings and the initiative will both expand Dubber's Service Provider footprint and drive accretive revenue.

JB Hi-Fi Business

The Company secured a contract with major Australian retailer JB H-Fi Business, the largest channel partner for Telstra business services. The contract forms part of Dubber's current initiative to substantially extend its Telstra partnership and capability.

Operating Costs

Salaries and related expenses increased by 40% on the prior comparative period to $27.8m reflecting increased headcount compared to the previous period. Share based payments declined 85% on the previous period to $1.7m reflecting lower expected vesting of employee share incentive awards. Direct costs and Administration costs were up 61% and 13% respectively reflecting higher technology costs incurred during the performance of services and higher other costs related to the higher headcount in the business.

Overall, Loss before tax increased to $36.9m for the period (FY2022: $31.7m).

Capital Management

The Company announced on 28 February 2023 a restructuring program that it will be able to implement while continuing to deliver accelerating growth and maintaining existing customer service levels. The Company believes it will prosper from having greater focus on a reduced range of initiatives and expects to deliver in excess of $5m savings per quarter once fully implemented.

For the March 2023 quarter, net cash expenditure will be impacted by a number of one offs associated with the review work undertaken post the lodgement of the Financial Year 2022 Annual Report, redundancy payments related to the restructuring programme and a number of other associated expenses. The Company expects the cash expenditure for the June quarter to reduce from the underlying pre-restructuring range of $21-$22m per quarter as the restructuring benefits are delivered throughout the quarter, and the full $5m of expected savings per quarter fully realised from the start of the 2024 Financial Year.

The Company continues to monitor cashflow closely and be responsive to market conditions in respect of the appropriate level of capital investment in the business.

Outlook

Dubber is the number one source of Unified Call Recording and Voice AI services – and due to its unique capacity within telecommunications networks, the only way to provision voice AI on every phone and every end point. The pillars of this strategy continue to be:

1. To be embedded in a service provider's networks as either a key or standard feature that is always on and remains always on;
2. Being the preferred technology solution with the world's leading unified communications providers;
3. Unlocking the network effects with every user added through the platform; and
4. Harnessing our technology to drive efficient scaling through operational and technological advantage.

The Company's key and continuing focus is to scale the business to capitalise on the global opportunity, and its uniquely scalable technology, including:

1. Accelerating the growth of recurring revenue and margin whilst expanding services to networks;
2. Continuing to expand its telecommunication service provider networks deployments;
3. Implementing the cost cutting initiatives;
4. Developing additional key metrics; and
5. Achieving operating cash flow break-even

MATERIAL BUSINESS RISKS

The Company and Group are subject to risks of both a general nature and ones that are specific to its business activities including, but not limited to the following:

Growth and Profitability (dependent on increasing market penetration)

The Company continues to trade in a loss-making position, incurring operating cash outflows as it strives to achieve positive operating cash flows through growth.

Dubber's future growth and profitability is dependent on continuing to increase the usage of its products across a wide range of Network Service Providers and end-users. A failure to continue to innovate and add new functionality to its platforms, and to operate its platforms at a standard that will retain clients and attract new clients could lead to Network Service Providers and end-users not renewing their engagement with the platform which could adversely impact Dubber's financial performance and/or operations. If the Company is not able to grow revenues and cash receipts, reduce operating costs or obtain additional financing as needed, it may be required to reduce the scope of its operations and may be prevented from progressing the commercialisation of its technology.

Reliance on third party platforms and operating systems

The Company's products and services are intended for use across a number of internet access platforms, mobile and desktop devices and software operating systems. The Company depends on the ability of its products and services to operate on such platforms, devices and operating systems however it cannot control the maintenance, upkeep and continued supply of effective service from external suppliers in these areas. Any changes in such platforms, operating systems or devices that adversely affect the functionality of the Company's products and services or give preferential treatment to competitive products and services could adversely affect usage of the Company's products and services.

Reliance on access to and confidence in telecommunications and the internet

The Company generally depends on the ability of the end consumer and its customers to access a deployed solution over telecommunications and internet access and to feel confident in the utilisation of the Company's platform. A failure in either of these services, which may be beyond the control of the Company, is likely to have adverse financial consequences for the Company.

Hosting provider disruption risk

The Company relies on its primary hosting provider Amazon Web Services, to store all data gathered from its customers. Should Amazon Web Services suffer outages, for example due to catastrophic destruction following a natural disaster, service to the Company's products and services may also be disrupted. If

Amazon Web Services ceased to offer its services to the Company and no replacement service is uncovered quickly, this could lead to a disruption of the Company's products and/or services.

Continued and uninterrupted provision of products and services

The Company employs a team of technicians and engineers along with automated redundancy capability for the continued and uninterrupted operation of the Company's products and services. A failure in the continued delivery of products and services could lead to the Company being in breach of contractual obligations and covenants to its clients and customers, which may lead to significant penalties or contract termination, that in turn could lead to significant claims against the Company and significant losses and damage to the Company's brand and reputation.

Satisfying increasing demand for products and services

As the Company and demand for its products and services grow, there is a risk that the Company will not be able to satisfy the requirements of all of its clients and customers and deliver promised outcomes.

This may lead to customer dissatisfaction and significant penalties or contract termination, which in turn could lead to significant claims against and losses for the Company and substantial damage to the Company's brand and reputation.

International business risks

The Company has operations internationally, notably in the USA, UK, Europe, Australia and New Zealand. Wherever the Company sets up operations it is exposed to a range of multi-jurisdictional risks such as risks relating to labour practices, environmental matters, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which the Company operates. Businesses that operate across multiple jurisdictions face additional complexities from the unique business requirements in each jurisdiction.

Inability to execute on sales targets

There is a risk Dubber does not achieve its sales targets due to inadequate execution of its strategy. Furthermore, if Dubber fails to innovate and add new functionality to its platforms, and to operate its platforms at a standard that will retain clients and attract new clients, then there is a risk that the sales targets will not be achieved. This inability to execute on sales targets could negatively impact upon the Company's reputation, revenues and profitability.

Regulatory and compliance risk

The Company operates in a complex regulatory environment and in jurisdictions that have varying degrees of enactment and implementation of regulations and are constantly evolving to meet challenges associated with new technology, including the General Data Protection Regulation (EU) 2016/679), or GDPR, in the European Union and similar laws and regulations in the United Kingdom. A failure to comply with, or adjust to variations of, regulatory requirements both in Australia and overseas may result in the Company facing regulatory investigation and/or significant claims, and/or being required to adapt or withdraw certain products, which may adversely affect the Company's revenues.

A number of the Company's clients and customers operate in the financial services sector in a number of jurisdictions (both in Australia and overseas) that are subject to stringent and complex regulations. A failure of the Company to comply with the requirements of these clients and customers could lead to significant claims against the Company by both customers and regulators, which may lead to significant losses and damage to the Company's brand and reputation.

In addition, the Company's platforms and products are, or will, be offered in many different jurisdictions, many of which are developing nations that may not have a well-developed or enforced regulatory structure in the relevant sectors. Changes to laws and regulations or the way such laws and regulations are interpreted, implemented or enforced may affect the Company's platforms or products in those jurisdictions or the ability of the Company or its partners to conduct business in those jurisdictions.

Data loss, theft or corruption

The Company stores data with a variety of third party service providers and cloud computing service providers. Hacking or exploitation of some unidentified vulnerability in its network could lead to loss, theft or corruption of data.

Although the Company has strategies and protections in place to try and minimise security breaches and to protect data, these strategies might not be successful. In that event, it could negatively impact upon the Company's revenues and profitability.

Misuse of the Company's products and services

Users of the Company's call recording and related products and services are subject to standard terms and conditions of use which state that a user must protect the privacy and details contained within a recording and is liable if the products and services are used unlawfully.

Although Dubber has strategies and protections in place to minimise misuse of recordings, there is no guarantee these strategies will be successful in the event a person uses the Company's products and services in an unlawful manner. In the event of misuse, this may result in adverse publicity, litigation, regulatory enquiries in respect of state and federal privacy and surveillance legislation and reducing the use of the Company's products or services. If this occurs it may negatively affect the Company's revenues.

Cybersecurity breaches

The Company, its hosting providers, and networks are required to adhere to their own and customers' security and compliance standards. If adequate safeguards and measures to mitigate breaches are not provided and maintained, it could negatively impact upon the Company's reputation, revenues and profitability. If the Company's security measures are breached, or if its products are subject to cyber-attacks that expose or restrict customer access to the platform or their data, its solutions may be perceived as less secure than competitors and customers may stop using the Dubber platform.

Growth and inability to integrate new acquisitions

There is a risk that the Company may be unable to manage its future growth successfully. Dubber's growth strategy includes the targeted acquisition of complimentary businesses to integrate into its existing operations. Such acquisitions can create integration risk, pricing risk, reputational risk and a variety of other issues including disaffected clients, directors and employees of the acquired business. Depending on the nature of the acquisition, acquisitions can also represent illiquid or mid- to-long term investments before a return is realised, if at all.

These issues can potentially have adverse consequences from a strategic, financial and/or operational perspective. The Company will draw on its past experience to mitigate the risks within the control of the Company, such as seeking to retain key acquired staff within the combined business.

Potential future funding issues

Dubber's ability to effectively implement its business strategy over time may also depend in part on its ability to raise additional funds. There can be no assurance that any such equity or debt funding will be available to the Company on favourable terms or at all. If adequate funds are not available on acceptable terms, the Company may not be able to take advantage of opportunities or otherwise respond to competitive pressures.

Intellectual property

The Company's business relies on its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, may be the subject of unauthorised disclosure, may be unlawfully infringed or the Company may incur substantial costs in protecting its intellectual property rights.

In addition, the Company utilises open source software in a number of its products and will use other open source software in the future. The terms of many open source software licenses to which the Company will be subject have not been interpreted by Australian or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's ability to provide or distribute its products.

Competition

The Company operates in an industry which is very competitive and subject to rapid and significant change. Competitors may be pursuing the development of products that target the same customers as the Company. The Company's products may compete with existing products already available to customers. The Company may face competition from competitors with substantially greater resources. Competing products may be superior to the Company's products, which would adversely impact the commercial viability of the Company's products.

Dependence upon key personnel

The Company depends on the talent and experience of key personnel to deliver on its business strategy. If key personnel leave, it may be difficult to replace them, or to do so in a timely manner or at a comparable expense. Any key personnel who leave to work for a competitor may adversely impact the Company. Additionally, increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of the Company.

CHANGES IN STATE OF AFFAIRS

During the half year ended 31 December 2022 there was no significant change in the entity's state of affairs other than that referred to in the half year financial statements or notes thereto.

SIGNIFICANT MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 9 January 2023, the Group announced that Andrew Demery has been appointed Chief Financial Officer. Andrew commenced in the role on 8 February 2023.

On 14 February 2023, the Group announced the appointment of Neil Wilson as Chairperson. Following Neil's appointment by the Board, Peter Clare stepped down as Chairman effective immediately and has resigned as a director, effective 28 February 2023.

The Company announced a restructuring program on 28 February 2023 which it expects to deliver in excess of $5m savings per quarter once fully implemented by the 2024 Financial Year.

There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

AUDITOR'S DECLARATION OF INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year ended 31 December 2022 is included within this financial report.

Signed in accordance with a resolution of Directors.

Steve McGovern
CEO & Managing Director
28 February 2023

	Note	31 Dec 2022 $	(Restated) 31 Dec 2021 $
Revenue			
Service revenue	2 (a)	13,677,547	15,908,326
Other revenue from ordinary activities	2 (b)	413,164	216,990
Gross revenue		14,090,711	16,125,316
Salaries and related expenses		(27,779,622)	(19,746,422)
Share based payments	8	(1,709,182)	(11,550,394)
Direct costs		(7,280,091)	(4,519,375)
General and administration costs		(9,031,610)	(8,003,917)
Finance costs		(524,253)	(1,224,978)
Fair value loss on extinguishment of liability		-	(368,592)
Depreciation and amortisation		(4,705,939)	(2,333,283)
Non-operating foreign exchange gains/(losses)		41,325	(105,952)
Loss before income tax benefit/(expense)		(36,898,661)	(31,727,597)
Income tax benefit/(expense)		(170,689)	277,030
Loss after income tax expense for the period		(37,069,350)	(31,450,567)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation differences		148,645	362,618
Other comprehensive income for the period, net of tax		148,645	362,618
Total comprehensive loss for the period attributable to owners of Dubber Corporation Limited		(36,920,705)	(31,087,949)
Earnings per share attributable to the owners of Dubber Corporation Limited:		Cents	Cents
Basic loss per share		(12.05)	(10.36)
Diluted loss per share		(12.05)	(10.36)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

	Note	31 Dec 2022 $	(Restated) 30 Jun 2022 $
Current Assets			
Cash and cash equivalents		26,723,235	54,383,974
Trade and other receivables	3	37,252,834	37,319,040
Other assets		68,139	-
Total Current Assets		64,044,208	91,703,014
Non-Current Assets			
Property, plant and equipment		2,588,781	2,870,209
Other assets		752,705	-
Intangible assets	4	40,886,796	43,473,762
Right-of-use asset	5	9,419,195	10,407,559
Total Non-Current Assets		53,647,477	56,751,530
Total Assets		117,691,685	148,454,544
Current Liabilities			
Trade and other payables	6	16,070,664	11,866,070
Contract liabilities		4,335,666	3,952,172
Lease liability	5	2,450,588	2,017,863
Provisions		1,635,860	1,498,724
Total Current Liabilities		24,492,778	19,334,829
Non-Current Liabilities			
Lease liability	5	7,716,935	9,264,706
Contract liabilities		1,531,131	1,269,695
Provisions		510,545	455,786
Other liabilities		7,512	-
Deferred tax liabilities		3,080,103	2,881,824
Total Non-Current Liabilities		12,846,226	13,872,011
Total Liabilities		37,339,004	33,206,840
Net Assets		80,352,681	115,247,704
Equity			
Issued capital	7	278,645,114	273,468,060
Reserves		23,838,828	26,841,555
Accumulated losses		(222,131,261)	(185,061,911)
Total Equity		80,352,681	115,247,704

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Issued Capital $	Reserves $	Accumulated Losses $	Total $
Balance at 1 July 2022 (restated)	273,468,060	26,841,555	(185,061,911)	115,247,704
Loss after income tax for the period	-	-	(37,069,350)	(37,069,350)
Other comprehensive income / (loss) for the period net of tax	-	148,645	-	148,645
Total comprehensive loss for the period	**-**	**148,645**	**(37,069,350)**	**(36,920,705)**
Transactions with owners in their capacity as owners				
Securities issued during the period	5,177,054	(4,860,554)	-	316,500
Capital raising costs	-	-	-	-
Cost of share based payments	-	1,709,182	-	1,709,182
Balance at 31 December 2022	**278,645,114**	**23,838,828**	**(222,131,261)**	**80,352,681**

	Issued Capital $	Reserves $	Accumulated Losses $	Total $
Balance at 1 July 2021	136,947,992	22,288,545	(100,280,501)	58,956,036
Impact of Restatement (See Note 1)	-	-	(676,731)	(676,731)
Balance at 1 July 2021 as restated	**136,947,992**	**22,288,545**	**(100,957,232)**	**58,279,305**
Loss after income tax expense for the period	-	-	(31,450,567)	(31,450,567)
Other comprehensive income/(loss) for the period, net of tax	-	362,618	-	362,618
Total comprehensive loss for the period	**-**	**362,618**	**(31,450,567)**	**(31,087,949)**
Transactions with owners in their capacity as owners				
Securities issued during the period	138,791,837	(11,754,935)	-	127,036,902
Capital raising costs	(4,350,000)	-	-	(4,350,000)
Cost of share based payments	-	11,550,394	-	11,550,394
Balance at 31 December 2021	**271,389,829**	**22,446,622**	**(132,407,799)**	**161,428,652**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	31 Dec 2022 $	31 Dec 2021 $
Cash flows from operating activities		
Receipts from customers	17,802,429	14,731,899
Payments to suppliers and employees	(44,132,999)	(35,168,043)
Interest elements of lease payments	(399,084)	-
Interest received	326,874	213,475
Interest and other finance costs paid	(3,463)	(530)
Net cash outflows used in operating activities	(26,406,243)	(20,223,199)
Cash flows from investing activities		
Payments for business acquisition	-	(2,114,580)
Payments for asset acquisition	-	(4,839,534)
Purchase of plant and equipment	(707,389)	(1,858,937)
Payment of security bond and funds held in trust	63,283	(75,765)
Net cash outflows used in investing activities	(644,106)	(8,888,816)
Cash flows from financing activities		
Proceeds from issue of shares	-	110,000,000
Proceeds from exercise of share options	316,500	293,246
Payment of share issue costs	-	(4,350,000)
Principal elements of lease payments	(867,807)	(444,047)
Repayment of combined debt conversion loan	-	-
Net cash provided by financing activities	(551,307)	105,499,199
Net increase/(decrease) in cash held	(27,601,656)	76,387,184
Cash and cash equivalents at the beginning of the period	54,383,974	32,041,224
Effect of exchange rate changes on cash	(59,083)	33,489
Cash and cash equivalents at the end of the period	26,723,235	108,461,897

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting' The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Dubber Corporation Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, except in relation to the matters disclosed below.

Going Concern

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors are satisfied the Group has adequate resources to continue as a going concern for not less than 12 months from the issue of the financial report.

At 31 December 2022 the Group has cash and deposits totaling $56,723,235, however during the 6 month period the entity recorded a loss before tax of $36,898,661 (6 months to 31 December 2021: $31,727,597) and incurred net cash outflows from operating activities of $26,406,243 (6 months to 31 December 2021: $20,223,199). The Group's ability to continue as a going concern is dependent upon its ability to substantially improve its operating cash flows in the short term.

To achieve this the Group is undertaking a restructuring programme announced on 28 February 2023 to focus the business on core priorities as set out below and forecasts sufficient cash savings that, together with existing available cash, it will be able to fund its operations and continue as a going concern for the next 12 months.

Restructuring Programme

The Company has conducted a review of its alignment to its core strategy and analysing the resources required to be able to execute that strategy from 2023 onwards. The review concluded that in order to ensure the business is resilient, the Company has committed to operating the business with a significant reduction in the cash cost base which commences immediately and aims to fully achieve during the 2024 Financial Year.

The Company anticipates delivering underlying cash cost efficiencies of ~$5m per quarter by the end of June 2023 with further savings coming over future quarters as contracts come to an end and securing sub-leasing of office space. These cost efficiencies include both people and infrastructure costs across the major global operating regions of the business.

1. BASIS OF PREPARATION (CONTINUED)

The review considered a broad range of efficiency initiatives including:

- Lifting sales performance and alignment with incentive plans;
- Optimising the Group's cloud infrastructure and other IT related savings;
- Reducing variable and discretionary spend including marketing, travel & related expenses;
- Targeted headcount reduction; and
- Reducing fixed infrastructure accordingly.

Based on the restructuring program and management's forecast of operating cashflows the Directors are satisfied the Group has adequate resources to continue as a going concern for not less than 12 months from the issue of the financial report.

Restatement of Comparative Balances

Historical Customer Contracts

During the period to 31 December 2022 the company has completed a thorough review of its revenue recognition processes and all open revenue contracts with customers, including ensuring that the basis of revenue recognition is in accordance with AASB 15 – Revenue from Contracts with Customers. As part of this review the company has identified a small number of revenue contracts where revenue has been recognised in prior periods where an enforceable contractual claim to monies could not be supported by contemporaneous documentation. As a result, the Group has reversed revenue and receivables (or increased payables) in respect of these contracts where recognition could not be supported.

Variable Revenue Reversal Presentation

Additionally, as part of the completion of the financial report for the year ended 30 June 2022, the Company assessed the revenue of certain contracts in accordance with AASB 15. As a result of this assessment, a provision for doubtful debts of $8.9m was recorded against amounts previously invoiced, GST payable of $0.8m was reversed and an expense of $8.1m was presented within general and administration expense. Upon further review in the current period, it has been concluded these amounts should have been presented as a reversal of revenue relating to past periods instead of a doubtful debt expense. As this reassessment occurred in the second half of the year ended June 2022 based on information at that time, there is no restatement of the comparative income statement balances at 31 December 2021 in respect of this item.

The impact of the restatement on the comparative information is set out on the following pages:

1. BASIS OF PREPARATION (CONTINUED)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	6 months to 31 December 2021			12 months to 30 June 2022		
	As previously reported $	Restatement $	**Restated $**	As previously reported $	Restatement $	**Restated $**
Service revenue	16,199,510	(291,184)[1]	**15,908,326**	25,345,027	(866,489)[1]	**24,478,538**
Variable revenue reversal (prior year)	-	-	**-**	-	(8,160,943)[2]	**(8,160,943)**
Gross revenue	16,416,500	(291,184)	**16,125,316**	25,657,775	(9,027,432)	**16,630,343**
General and administration costs	(4,746,972)	-	**(4,746,972)[3]**	(20,366,782)	8,160,943[2]	**(12,205,839)**
Loss before income tax benefit	(31,436,413)	(291,184)	**(31,727,597)**	(84,054,648)	(866,489)	**(84,921,137)**
Loss after income tax expense for the period	(31,159,383)	(291,184)	**(31,450,567)**	(83,238,190)	(866,489)	**(84,104,679)**
Total comprehensive loss for the period attributable to owners of Dubber Corporation Limited	(30,796,765)	(291,184)	**(31,087,949)**	(84,755,016)	(866,489)	**(85,621,505)**
Basic loss per share	(10.26)	(0.10)	**(10.36)**	(27.3)	(0.28)	**(27.58)**
Diluted loss per share	(10.26)	(0.10)	**(10.36)**	(27.3)	(0.28)	**(27.58)**

1. *Relates to Historical Customer Contracts Revenue Restatement*
2. *Relates to Variable Revenue Reversal Presentation Restatement*
3. *This item has been additionally reclassified in the current year disclosures – see section on reclassification of costs on page 25.*

1. BASIS OF PREPARATION (CONTINUED)

Consolidated Statement of Financial Position

	As at 30 June 2021			As at 30 June 2022		
	As previously reported $	Restatement $	**Restated $**	As previously reported $	Restatement $	**Restated $**
Trade and other receivables	22,793,739	(676,731)	**22,117,008**	38,574,607	(1,255,567)	**37,319,040**
Total Current Assets	55,371,095	(676,731)	**54,694,364**	92,958,581	(1,255,567)	**91,703,014**
Total Assets	100,334,687	(676,731)	**99,657,956**	149,710,111	(1,255,567)	**148,454,544**
Trade and other payables	11,597,258	-	**11,597,258**	11,578,418	287,652	**11,866,070**
Total Current Liabilities	34,815,837	-	**34,815,837**	19,047,177	287,652	**19,334,829**
Total Liabilities	41,378,650	-	**41,378,650**	32,919,188	287,652	**33,206,840**
Net Assets	58,956,036	(676,731)	**58,279,305**	116,790,924	(1,543,220)	**115,247,704**
Accumulated losses	(100,280,501)	(676,731)	**(100,957,232)**	(183,518,691)	(1,543,220)	**(185,061,911)**
Total Equity	58,956,036	(676,731)	**58,279,305**	116,790,924	(1,543,220)	**115,247,704**

All restatements are in relation to the Historical Customer Contracts Revenue Restatement.

Within trade and other receivables, the restatement is as follows:

	As at 30 June 2022		
	As previously reported $	Restatement $	**Restated $**
Trade receivables	13,758,277	(10,213,614)[1,2]	**3,544,663**
Provision for expected credit losses	(8,958,047)	8,958,047[2]	**-**
	4,800,230	(1,255,567)	**3,544,663**

1. *Relates to Historical Customer Contracts Revenue Restatement*
2. *Relates to Variable Revenue Reversal Presentation Restatement*

1. BASIS OF PREPARATION (CONTINUED)

Reclassification of costs

The costs included in the comparative consolidated statement of profit or loss and comprehensive income for the period ended 31 December 2021 includes a reclassification from Direct costs to General and administration and Salaries and related expenses. The costs have been reviewed during the period to reflect the nature of cost categories more closely, and as a result the prior period value has been reclassified. There is no impact to comparative operating profit as a result of this reclassification.

	31 December 2021 (reclassified)	31 December 2021 (original)
	$	$
Direct costs	4,519,375	9,635,164
General and administration costs	8,003,917	4,746,972
Salaries and related costs	19,746,422	17,887,578

Typographical error – 30 June 2022 consolidated statement of financial position

The consolidated statement of financial position as at 30 June 2022 in the FY2022 annual report contained a typographical error being total assets of $140,710,113. The correct value of total assets is $149,710,113. This was then restated to $148,166,893 (see restatement of comparative note above).

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

	31 Dec 2022 $	(Restated) 31 Dec 2021 $
(a) Service revenue		
Subscriptions	13,628,621	15,419,998
Professional services	48,926	488,328
Total revenue from contracts with customers	13,677,547	15,908,326
Disaggregation of revenue by jurisdiction and geographic region:		
Australia	1,232,533	4,512,319
United Kingdom	9,266,395	8,722,753
United States	3,178,619	2,673,254
Total revenue from contracts with customers	13,677,547	15,908,326
(b) Other revenue from ordinary activities		
Interest	326,874	213,475
Research and development tax incentive	86,290	-
Rental income – sub lease	-	3,515
Total	413,164	216,990

** Revenue totalling $4,174,044 recorded in the half year to 31 December 2021 was subsequently reversed in June 2022 following an updated assessment reflecting available information at that time. Refer to Note 1 Restatement of comparative balances for further information.*

3. TRADE AND OTHER RECEIVABLES

	31 Dec 2022 $	(Restated) 30 Jun 2022 $
Current		
Trade receivables	2,927,296	3,544,663
Less: Expected credit loss	(13,664)	-
Receivable from Medulla Group Pty Ltd vendors	-	100,977
Cash at call deposit	30,000,000	30,000,000
Other and sundry debtors	143,956	135,283
Contract assets	834,895	711,974
Prepayments	2,075,828	939,371
Deposits in trust	1,152,053	1,213,820
Other receivables	132,470	672,952
Total	37,252,834	37,319,040

4. INTANGIBLE ASSETS

	31 Dec 2022 $	30 Jun 2022 $
Customer assets		
At cost	10,145,162	10,145,162
Foreign exchange movement	(18,027)	(111,323)
Less: Accumulated amortisation	(2,929,140)	(2,179,563)
Sub-total	7,197,995	7,854,276
Technology		-
At cost	26,138,873	17,929,324
Capitalised during the year	-	1,703,136
Acquired technology	-	6,506,413
Foreign exchange movement	82,130	(20,856)
Less: Accumulated amortisation	(15,006,191)	(12,969,365)
Sub-total	11,214,812	13,148,652
Total	18,412,807	21,002,928
Goodwill		
At cost	22,682,788	22,682,788
Impairment of goodwill (Note 10)	(174,480)	-
Foreign exchange movement	(34,319)	(211,954)
Sub-total	22,473,989	22,470,834
Net carrying amount at the end of the year	40,886,796	43,473,762
Reconciliation		
Balance at the beginning of the period	43,473,762	42,261,910
Impairment of goodwill	(174,480)	-
Exchange difference	373,917	(1,680,915)
Capitalised during the year	-	1,703,136
Acquired technology	-	6,506,413
Amortisation expense	(2,786,403)	(5,316,782)
Net carrying amount at the end of the period	40,886,796	43,473,762

5. LEASES

	31 Dec 2022 $	30 Jun 2022 $
Right of use assets		
Office space	13,020,347	12,485,794
Less: accumulated amortisation	(3,601,152)	(2,078,235)
	9,419,195	10,407,559
Lease liabilities		
Current	2,450,588	2,017,863
Non-current	7,716,935	9,264,706
	10,167,523	11,282,569

6. TRADE AND OTHER PAYABLES

	31 Dec 2022 $	(Restated) 30 Jun 2022 $
Trade payables	10,355,682	8,517,268
Payroll tax and other statutory liabilities	3,840,922	2,847,611
Other payables	1,874,060*	501,191
Total	16,070,664	11,866,070

* *Includes a $1,112,341 payable to a customer for monies received in error*

7. ISSUED CAPITAL

	31 Dec 2022 Number	30 Jun 2022 Number
(a) Issued and paid up capital		
Ordinary shares - fully paid	307,543,113	304,935,427

(b) Movement in ordinary shares on issue (31 December 2022)	Number	$
Balance at the beginning of the period	304,935,427	273,468,060
Issued pursuant to a placement	-	-
Issued on exercise of options	2,607,686	4,988,054*
Repayment of loan funded shares	-	189,000
Share issue costs	-	-
Balance at the end of the period	307,543,113	278,645,114

(c) Movement in ordinary shares on issue (30 June 2022)	Number	$
Balance at the beginning of the period	256,200,395	136,947,992
Issued pursuant to a placement	37,288,136	110,000,000
Issued on exercise of options	776,400	452,110
Issued on acquisition (Notiv)	386,277	1,448,539
Issued on acquisition (Speik deferred consideration)	4,700,571	15,182,844
Issued on exercise of ZEPOs	5,583,648	13,786,575
Share issue costs	-	(4,350,000)
Balance at the end of the period	304,935,427	273,468,060

* *Consists of 2,437,686 employee zero exercise price options (ZEPO) valued at $4,860,554 and 170,000 $0.75 options ($127,500) exercised during the period. The dollar value attributable to the ZEPOs are derived from the fair value at grant date as disclosed in prior period financial statements. The weighted average exercise price for exercised options during the period is $0.047.*

8. SHARE BASED PAYMENTS

	Value $
Share based payment expense for the half-year period (net)	1,709,182

Share Based Payments expense includes the effects of reassessed probabilities of achievement of vesting conditions as at 31 December 2022 for options issued in prior years in accordance with the requirements of AASB 2 Share-based payment. The vesting terms and conditions of these share-based payments have been previously disclosed in the FY2021 annual report.

During the half year period, the Company have granted options to employees and KMPs. The fair value of the options is determined using the Black-Scholes model. The details of the assumptions and inputs to the model for all options granted during the period are as follows:

Granted to KMPs (Non-executive Director):

Grant date	21 November 2022[1]	21 November 2022[2]
Number of options	96,988	600,000
Vesting date	30/6/2023	50% vests on 30/6/2023 and remaining 50% vests on 30/6/2024
Expense recognised in HY23 ($)	$2,313 (2022: $-)	$1,991 (2022: $ -)
Dividend yield (%)	-	-
Expected volatility (%)	100%	100%
Risk-free interest rate (%)	3.105%	3.105%
Expected life of options (years)	1.69	1.69
Underlying share price ($)	$0.35	$0.35
Option exercise price ($)	$0.00	$1.75
Fair value of option ($)	$0.35	$0.0487

8. SHARE BASED PAYMENTS (CONTINUED)

Granted to employees:

Grant date	22 September 2022[3]
Number of options	1,201,238
Vesting date	30 September 2022
Expense recognised in HY23 ($)	$660,681 (2022: $ -)
Dividend yield (%)	-
Expected volatility (%)	100%
Risk-free interest rate (%)	3.41%
Expected life of options (years)	3.02
Underlying share price ($)	$0.55
Option exercise price ($)	$0.00
Fair value of option ($)	$0.55

8. SHARE BASED PAYMENTS (CONTINUED)

The various deferred vesting options listed above are subject to milestones or vesting dates which are listed below. Probability of achieving these milestones or vesting dates have been assessed at 100% unless otherwise stated.

Grant #	Class	Vesting condition and proportions	Milestone Date
1	Restricted share units (RSU)	The restricted share units shall vest on 30 June 2023 provided that the holder remains in the role of Director at that date.	30 June 2023
2	$1.75 Remuneration Options	The options shall vest in the following amounts on the following date if the holder remains as a Director of the Company as at that date, or in certain cases of prior departure if the Board exercises its discretion otherwise in accordance with the Plan, as follows: One-half of the Option shall vest on 30 June 2023; and The remaining Options shall vest on 30 June 2024. In addition, the Options will vest on a Change of Control Event occurring to the satisfaction of the Board in its absolute discretion.	30 June 2023 30 June 2024
3	Dubber Employee Incentive Plan	The options shall vest on 30 September 2022 provided that the holder remains in employment of the Group at that date.	30 September 2022

9. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group has three main operating segments, specifically for the provision of subscriptions services in Europe, United States of America ('Americas') and the Rest of World.

	Europe $	Americas $	Rest of the World $	Other $	Total $
Half-year ended 31 December 2022					
Segment income					
Services revenue	9,266,395	3,178,619	1,232,533	-	13,677,547
Other income	96,961	-	316,203	-	413,164
	9,363,356	3,178,619	1,548,736	-	14,090,711
Segment expenses					
Direct costs	2,482,449	1,283,796	3,513,846	-	7,280,091
Operating expenses	10,474,828	6,789,934	18,030,100	1,516,370	36,811,232
Share based payments	-	-	-	1,709,182	1,709,182
	12,957,277	8,073,730	21,543,946	3,225,552	45,800,505
EBITDA	(3,593,921)	(4,895,111)	(19,995,210)	(3,225,552)	(31,709,794)
Depreciation and amortisation	3,411,631	534,882	759,426		4,705,939
Finance costs	375,884	11,278	137,091	-	524,253
Foreign currency gains and losses	(51,485)	1,867	8,293	-	(41,325)
	3,736,030	548,027	904,810	-	5,188,867
Profit/(Loss) before income tax	(7,329,951)	(5,443,138)	(20,900,020)	(3,225,553)	(36,898,661)
As at 31 December 2022:					
Segment assets	54,464,586	4,901,558	58,325,541*	-	117,691,685
Segment liabilities	26,494,464	6,403,107	4,441,433	-	37,339,004
	27,970,122	(1,501,549)	53,884,108	-	80,352,681

* *All segment assets include cash and cash equivalents. $50,100,987 cash and cash equivalents and deposits are included in the Rest of the World segment assets.*

9. SEGMENT INFORMATION (CONTINUED)

	Europe $	Americas $	Rest of the World $	Other $	Total $
Half-year ended 31 December 2021 (Restated)					
Segment income					
Services revenue	8,722,753	2,673,254	4,512,319	-	15,908,326
Other income	-	-	216,990	-	216,990
	8,722,753	2,673,254	4,729,309		16,125,316
Segment expenses					
Direct costs	1,249,390	768,518	2,501,467	-	4,519,375
Operating expenses	6,675,364	3,641,962	15,903,214	1,529,799	27,750,339
Share based payments	-	-	-	11,550,394	11,550,394
	7,924,754	4,410,480	18,404,681	13,080,193	43,820,108
EBITDA	797,999	(1,737,226)	(13,675,372)	(13,080,193)	(27,694,792)
Depreciation and amortisation	1,518,025	74,032	741,225	-	2,333,283
Finance costs	237,703	18,783	1,074,444	-	1,330,930
Fair value loss on extinguishment of liability	-	-	368,592	-	368,592
	1,755,728	92,815	2,184,261	-	4,032,805
Profit/(Loss) before income tax	(957,729)	(1,830,041)	(15,859,633)	(13,080,193)	(31,727,597)
As at 30 June 2022 (Restated):					
Segment assets	54,662,307	3,785,797	90,006,440	-	148,454,544
Segment liabilities	15,534,718	2,744,693	14,927,429	-	33,206,840
	39,127,589	1,041,104	75,079,011		115,247,704

10. IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE LIVES

The Group performed an impairment test in December when circumstances indicated that the carrying value of its Rest of World cash-generating unit may be impaired. The Group's impairment test is based on the fair value less costs to sell approach (Market based Guideline Transaction Method). The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 30 June 2022. The Group considers the movement in market capitalisation from the last reporting date and internal reporting information, among other factors, when reviewing for indicators of impairment. As at 31 December 2022, economic performance in the Rest of World cash generating unit has been worse than expected, indicating a potential impairment. In addition, there has been an overall decline in market capitalisation of the group, as well as ongoing economic uncertainty. As a result, management performed an impairment test as at 31 December 2022 for the Rest of the World cash generating unit, which has goodwill assets.

Rest of world cash-generating unit

The Group used the cash-generating unit's fair value less costs to sell to determine the recoverable amount of $3,773,121, which did not exceed the carrying amount. The revenue valuation multiple has been updated to 1.63 (2022: 2.75) to reflect more recent acquisition transactions occurring in Group's relevant industry. The multiple is then applied to updated cash-generating unit operating data using HY2023 revenue (annualised) of $2,386,390 (2022: $2,619,521) to derive fair value less costs to sell. All other assumptions remained materially consistent with those disclosed in the annual financial statements for the year ended 30 June 2022. Management then performed a sensitivity analysis on the assumptions applied.

As a result of this analysis, management have recognised an impairment charge of $174,480 against goodwill previously carried at $3,366,457. The impairment charge is recognised within general and administration expenses in the statement of profit or loss.

Sensitivity to changes in assumptions

With regard to the assessment of fair value less costs to sell of the Rest of World cash generating unit, as the CGU has been impaired any further adverse change in assumptions will result in further impairment. The key assumptions for the recoverable amount are discussed below:

Valuation multiples – The multiples applied are based on acquisition transactions of selected comparable companies, calculated by Total Invested Capital / Revenue of the acquired company. For 31 December 2022, the number of guideline transactions and companies used in the valuation has been updated and increased from 30 June 2022 to better reflect the market in which the cash-generating unit operates, which resulted in the multiple being revised from 2.75 to 1.63. Further changes to the valuation multiple may be necessary in the future.

11. DIVIDENDS

There have been no dividends declared or recommended and no distribution made to shareholders or other persons during the period.

12. COMMITMENTS

There has been no significant change in commitments since the last annual reporting date.

13. CONTINGENT LIABILITIES

As at the date of this report, the Group has no material contingent liabilities.

14. RELATED PARTIES

Other than the share-based payment transactions disclosed in Note 8, there were no significant related party transactions outside the ordinary course of business other than the following:

- During the general meeting held on 21 November 2022, shareholder approval has been received for grant of remuneration securities to the following Director:
    - Sarah Diamond – 96,988 ZEPOs and 600,000 remuneration options;

15. SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

On 9 January 2023, the Group announces that Andrew Demery has been appointed Chief Financial Officer. Andrew commences in the role on 8 February 2023.

On 14 February 2023, the Group announced the appointment of Neil Wilson as Chairperson. Following Neil's appointment by the Board, Peter Clare steps down as Chairman effective immediately and has resigned as a director, effective 28 February 2023.

The Company announced a restructuring program on 28 February 2023 which is expected to deliver savings in excess of $5m per quarter once fully implemented by the 2024 Financial Year.

There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

In the opinion of the directors of Dubber Corporation Limited ('the company'):

1. The financial statements and notes thereto of the consolidated entity, as set out within this financial report, are in accordance with the Corporations Act 2001 including:

    a. complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year then ended.

2. There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Steve McGovern
CEO & Managing Director

28 February 2023

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Auditor's independence declaration to the directors of Dubber Corporation Limited

As lead auditor for the review of the half-year financial report of Dubber Corporation Limited for the half-year ended 31 December 2022 I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Dubber Corporation Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

David Petersen
Partner
28 February 2023

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Independent auditor's review report to the members of Dubber Corporation Limited

Conclusion

We have reviewed the accompanying half-year financial report of Dubber Corporation Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards

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and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

David Petersen
Partner
Melbourne
28 February 2023

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